

**ANNUAL USE OF CAPITAL SURVEY - 2009****NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Western Alliance Bancorporation

Person to be contacted regarding this report:	Dale Gibbons
CPP Funds Received:	\$140,000,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	11/21/2008
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	2349815
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Las Vegas
State:	Nevada

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	The Company received \$140 million in CPP capital on November 21, 2008. From the first previous reporting date of September 30, 2008 until December 31, 2009, the Company originated \$902 million in new loans. Loans outstanding during this period increased \$132 million.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	By category, loan originations were as follows (millions): \$383 commercial real estate, \$319 small and middle-market business loans, \$128 real estate development, \$72 residential real estate and other consumer loans .
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	From September 30, 2008 to December 31, 2009, the Company purchased \$563 million in securities. Securities held during this period increased \$244 million.
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	From September 30, 2008 to December 31, 2009, the Company increased its reserve for loan and lease losses from \$57 million to \$109 million.

<input checked="" type="checkbox"/>	Reduce borrowings	Deposits at the Company's bank affiliates increased \$1.2 billion from September 30, 2008 to \$4.7 billion at December 31, 2009. These funds, coupled with \$340 million of capital raised, enabled the Company to reduce borrowings by \$852 million during the period to \$355 million.
<input type="checkbox"/>	Increase charge-offs	
<input checked="" type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	On February 28, 2009, the Company's Bank of Nevada affiliate assumed \$132 million in deposits from Security Savings Bank, which had been closed by State of Nevada.
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	On May 20, 2009, the Company raised \$200 million in capital from a common stock offering. The combination of this capital with proceeds from the CPP program resulted in the Company's Total Capital Ratio increasing from 11.4% at September 30, 2008 to 14.4% at December 31, 2009.

What actions were you able to avoid because of the capital infusion of CPP funds?

From September 30, 2008 to December 31, 2009, the Company infused \$215 million in capital to its bank affiliates. Capital from the CPP program, as well as our common stock offering, provided the capital capacity to continue to provide credit to customers in each of our markets throughout this economic downturn.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The capital infusion of CPP funds facilitated the Company's continued expansion of credit availability to businesses and individuals, despite being located in some of the most stressed markets in the nation from the financial crisis. Unused loan commitments as of December 31, 2009, were approximately \$1.0 billion.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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